

EXHIBIT 11

SECURITIES AND EXCHANGE COMMISSION

FORM
X-17A-5FOCUS REPORT
(FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT)
PART II CSE ☐ 11

(Please read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a)

☒ 16

2) Rule 17a-5(b)

☐ 17

3) Rule 17a-11

☐ 18

4) Special request by designated examining authority

☐ 19

5) Other

☐ 26

NAME OF BROKER-DEALER

SEC. FILE NO.

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

☐ 13

8-07221

☐ 14

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do not use P.O. Box No.)

FIRM ID NO.

7691

☐ 15

ONE BRYANT PARK

☐ 20

FOR PERIOD BEGINNING (MM/DD/YY)

(No. and Street)

07/01/18

☐ 24

AND ENDING (MM/DD/YY)

NEWYORK

☐ 21

NY

☐ 22

10036

☐ 23

09/30/18

☐ 25

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area code) - Telephone No.

Lizbeth Applebaum

☐ 30

(212)449-4414

☐ 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT

OFFICIAL USE

☐ 32☐ 33☐ 34☐ 35☐ 36☐ 37☐ 38☐ 39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS ?

YES

☒ 40

NO

☐ 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT

☐ 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete.

It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the _____ day of _____ 20 _____

Manual Signatures of:

1)

Principal Executive Officer or Managing Partner

2)

Principal Financial Officer or Partner

3)

Principal Operations Officer or Partner

ATTENTION - Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f (a))

FINRA

PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

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100

STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 09/30/18

99

SEC FILE NO. 8-07221

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Consolidated

198

Unconsolidated	X
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199

ASSETS

Allowable

Nonallowable

Total

1. Cash	\$ 1,819,211,637	200		\$ 1,819,211,637	750
2. Cash segregated in compliance with federal and other regulations	6,337,522,928	210		6,337,522,928	760
3. Receivable from brokers or dealers and clearing organizations:					
A. Failed to deliver:					
1. Includable in "Formula for Reserve Requirements"	1,025,950,788	220			
2. Other	1,613,153,040	230		2,639,103,828	770
B. Securities borrowed:					
1. Includable in "Formula for Reserve Requirements"	14,574,541,556	240			
2. Other	69,654,451,703	250		84,228,993,259	780
C. Omnibus accounts:					
1. Includable in "Formula for Reserve Requirements"	0	260			
2. Other	2,226,470,871	270		2,226,470,871	790
D. Clearing Organizations:					
1. Includable in "Formula for Reserve Requirements"	0	280			
2. Other	15,032,695,394	290		15,032,695,394	800
E. Other	637,866,799	300	\$ 245,872,214	550	883,739,013
4. Receivables from customers:					
A. Securities accounts:					
1. Cash and fully secured accounts	8,402,274,704	310			
2. Partly secured accounts	0	320	20,411,881	560	
3. Unsecured Accounts			59,897,289	570	
B. Commodity accounts	302,346,950	330	79,924	580	
C. Allowance for doubtful accounts	(0)	335	(782,342)	590	8,784,228,406
5. Receivables from non-customers:					
A. Cash and fully secured accounts	95,206,888	340			
B. Partly secured and unsecured accounts	0	350	0	600	95,206,888
6. Securities purchased under agreements to resell	79,640,982,254	360	0	605	79,640,982,254
7. Derivative Receivables:	1,073,945,974	291			1,073,945,974
8. Trade Date Receivable:	0	292			0
9. Securities and spot commodities owned, at market value:	71,296,558,709	849			71,296,558,709
Includes encumbered securities of					
\$ 19,152,692,404	120				

PART II CSE

BROKER OR DEALER

as of 09/30/18

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

Allowable

Nonallowable

Total

10. Securities owned not readily marketable:

A. At Cost \$	0	130	\$	0	440	\$	5,039,725,403	610	\$	5,039,725,403	860
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11. Other investments not readily marketable:

A. At Cost \$	0	140
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B. At estimated fair value	0	450		47,103,110	620		47,103,110	870
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12. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:

A. Exempted

securities \$	0	150
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B. Other \$	0	160		0	630		0	880
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13. Secured demand notes-market value of collateral:

A. Exempted

securities \$	0	170
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B. Other \$	0	180		0	470		0	640		0	890
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14. Memberships in exchanges:

A. Owned, at market

value \$	6,025,170	190
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B. Owned at cost				0	650
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C. Contributed for use of company, at market value

				0	660		0	900
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15. Investment in and receivables from affiliates, subsidiaries and associated partnerships

	0	480		3,953,762,171	670		3,953,762,171	910
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16. Property, furniture, equipment, leasehold improvements and rights under lease agreements:

At cost (net of accumulated

depreciation and amortization)	0	490		249,340,809	680		249,340,809	920
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17. Other Assets:

A. Dividends and interest receivable

	799,892,768	500		9,425,908	690
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B. Free shipments	12,476,172	510		5,174,217	700
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C. Loans and advances	0	520		0	710
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D. Miscellaneous	100,186,832	530		6,457,799,416	720
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E. Collateral accepted under SFAS 140	20,106,010,522	536
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F. SPE Assets	0	537				27,490,965,835	930
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18. TOTAL ASSETS \$	294,751,746,489	540	\$	16,087,810,000	740	\$	310,839,556,489	940
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PART II CSE

BROKER OR DEALER

as of 09/30/18

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>	<u>Total</u>
19. Bank loans payable:	
A. Includable in "Formula for Reserve Requirements"	\$ 318 1460
B. Other	0 1470
20. Securities sold under repurchase agreements.	111,661,385,883 1480
21. Payable to brokers or dealers and clearing organizations:	
A. Failed to receive:	
1. Includable in "Formula for Reserve Requirements"	779,968,641 1490
2. Other	1,710,537,384 1500
B. Securities loaned:	
1. Includable in "Formula for Reserve Requirements"	4,435,690,536 1510
2. Other	34,766,103,605 1520
C. Omnibus accounts:	
1. Includable in "Formula for Reserve Requirements"	16,462,299,771 1530
2. Other	60,339 1540
D. Clearing organizations:	
1. Includable in "Formula for Reserve Requirements"	0 1550
2. Other	1,861,206,639 1560
E. Other	1,498,079,938 1570
22. Payable to customers:	
A. Securities accounts - including free credits of \$ 11,868,189,968 950	17,939,941,138 1580
B. Commodities accounts	16,546,267,774 1590
23. Payable to non customers:	
A. Securities accounts	0 1600
B. Commodities accounts	1,679,673,912 1610
24. Derivative Payables:	450,032,941 1561
25. Trade Date Payable:	2,052,968,145 1562
26. Securities sold not yet purchased at market value - including arbitrage of \$ 1,115,627,635 960	24,966,861,487 1620
27. Accounts payable and accrued liabilities and expenses:	
A. Drafts payable	431,455,470 1630
B. Accounts payable	14,309,621,960 1640
C. Income taxes payable	0 1650
D. Deferred income taxes	0 1660
E. Accrued expenses and other liabilities ..	2,453,039,061 1670
F. Other	0 1680
G. Obligation to return securities	23,963,346,958 1686
H. SPE Liabilities	0 1687

PART II CSE

Status: Accepted

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/18

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY (continued)

<u>Liabilities</u>	<u>Total</u>
28. Notes and mortgages payable:	
A. Unsecured	\$ 0 1690
B. Secured	0 1700
29. Liabilities subordinated to claims of general creditors:	
A. Cash borrowings:	12,078,000,000 1710
1. from outsiders \$ 0 970	
2. Includes equity subordination(15c3-1(d)) of \$ 5,858,000,000 980	
B. Securities borrowings, at market value:	0 1720
from outsiders \$ 0 990	
C. Pursuant to secured demand note collateral agreements:	0 1730
1. from outsiders \$ 0 1000	
2. Includes equity subordination(15c3-1(d)) of \$ 0 1010	
D. Exchange memberships contributed for use of company, at market value	0 1740
E. Accounts and other borrowings not qualified for net capital purposes	0 1750
30. TOTAL LIABILITIES	\$ 290,046,541,900 1760
<u>Ownership Equity</u>	
31. Sole proprietorship	\$ 0 1770
32. Partnership - limited partners	\$ 0 1020 1780
33. Corporation:	
A. Preferred stock	0 1791
B. Common stock	1,000 1792
C. Additional paid- in capital	11,025,261,009 1793
D. Retained Earnings	9,767,752,580 1794
E. Total	20,793,014,589 1795
F. Less capital stock in treasury	(0) 1796
34. TOTAL OWNERSHIP EQUITY	\$ 20,793,014,589 1800
35. TOTAL LIABILITIES AND OWNERSHIP EQUITY	\$ 310,839,556,489 1810

OMIT PENNIES

PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/18

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	20,793,014,589	3480
2. Deduct: Ownership equity not allowable for Net Capital	(0	3490
3. Total ownership equity qualified for Net Capital		20,793,014,589	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		12,078,000,000	3520
B. Other (deductions) or allowable credits (List)		0	3525
5. Total capital and allowable subordinated liabilities	\$	32,871,014,589	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	16,087,810,000	3540
1. Additional charges for customers' and non-customers' security accounts		25,294,399	3550
2. Additional charges for customers' and non-customers' commodity accounts		0	3560
B. Aged fail-to-deliver:		46,809,704	3570
1. number of items		905	3450
C. Aged short security differences-less reserve of	\$	0	3460
number of items		0	3470
D. Secured demand note deficiency		0	3590
E. Commodity futures contracts and spot commodities - proprietary capital charges		0	3600
F. Other deductions and/or charges		911,753,999	3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x)		0	3615
H. Total deductions and/or charges	(17,071,668,102	3620
7. Other additions and/or allowable credits (List)		0	3630
8. Tentative Net Capital	\$	15,799,346,487	3640
9. Total Market Risk Exposure	\$	1,721,620,713	3635
10. Total Credit Risk Exposure	\$	179,290	3679
11. Net Capital	\$	14,077,546,484	3750

OMIT PENNIES

PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/18

COMPUTATION OF NET CAPITAL REQUIREMENT

Part A

12. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	1,876,656,912	3870
13. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries	\$	569,134,516	3880
14. Net capital requirement (greater of line 12 or 13)	\$	1,876,656,912	3760
15. Excess net capital (line 11 less 14)	\$	12,200,889,572	3910
16. Percentage of Net Capital to Aggregate Debits (line 11 divided by line 18 page 10)	%	41.26	3851
17. Percentage of Net Capital, after anticipated capital withdrawals, to Aggregate Debits item 11 less Item 4880 page 19 divided by line 18 page 10)	%	41.26	3854
18. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	12,089,271,850	3920

OTHER RATIOS

Part B

19. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	18.92	3860
20. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) divided by Net Capital	%	0.00	3852